



BEYOND ALL LIMITS

2021
**MARKET
REPORT**

Collective Strength, Accelerated Growth.



MEET THE TEAM



BRENT MILLER,
CCIM, CPM
Executive Managing
Director



AMY MILLER,
CPM
Executive Managing
Director



RICK TILGHMAN,
CCIM, CPM
Managing Director

BROKERAGE



HENRY HANNA,
CCIM, SIOR
Senior Advisor



FLO BROTZMAN
Advisor



WESLEY COX,
CCIM
Senior Advisor



JOHN MCCLELLAN,
CCIM, SIOR
Senior Advisor



KELLY JETER
Advisor



ANDY BALL
Senior Advisor



ALLISON CONICK
Advisor



TONNEY INSLEY
Senior Advisor



RYAN FINNEGAN
Advisor &
Property Manager



CHRISTINA RICE
Advisor



CHRIS PEEK,
CCIM
Senior Advisor



JOSH CLOW
Advisor



MEREDITH MEARS
Advisor



BRETT PEARRE
Advisor &
Property Manager



BRAD HOPKINS
Advisor



BOB GREENLEE
Managing Director-
Easton Office



BRANDON HEAVER
Senior Advisor



JOHN "NED" FOSTER
Advisor



LIZ CONNELLY
Advisor



ROSS BENINCASA
Advisor

PROPERTY MANAGEMENT



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Operations Manager



MICHELE MESSICK
Accountant



LINDSAY HARRINGTON,
CPM
Lease Administrator



TINA BENNETT
Accounts Payable/Receivable



CATIE WINDSOR
Property Manager



CODY ADAMS
Property Manager



ALYSSA SHOCKLEY
Property Manager

ADMINISTRATION



BREANNA TEDESCHI
Marketing Coordinator-
Hanna Team



CARLY WHITE
Marketing Intern



CHLOE TONG
Manager,
Systems & Operations



BUXTON WILLOUGHBY
Manager of Research & Analytics



JUSTIN HART
Maintenance Manager



**MAINTENANCE
TEAM**
Tim Robertson
Tim Remenapp



JANITORIAL STAFF
Sheri Enfield, Loretta Lewis
Billie Taylor, Glenna Keidel

MAINTENANCE



Message from our Managing Director **Rick Tilghman, CCIM, CPM**

What will 2022 bring us and what will we leave behind? The COVID pandemic is easing but inflation is rising. Supply and Demand are being corrected but gas prices continue to skyrocket. One thing that we do not want to leave behind or change from 2021, is the Commercial Real Estate (CRE) industry.

2021 saw the most active year for CRE on record with over \$800 billion of US assets being traded; up 34.8% from the pre-pandemic peak year of 2019. The Eastern Shore saw an even larger increase of 57% over the same time period. Industrial, Multifamily and the Retail sectors all shared in this record setting year leaving only the Office sector to fall short, but not as short as one may think. The office sector did rise over past years by 56% and it only fell 3.5% from where it sat in 2019.

This robust and record setting CRE market we are experiencing should continue through 2022 as well. I know there are concerns about rising interest rates, inflation, construction costs, etc..., but these factors could help certain sectors of the CRE industry.

- **Multifamily** – This sector is predicted to be hot and will continue to grow as the average home sale price is above \$1 Million in over 400 major cities, making home ownership less affordable for more people and especially first-time-buyers; they will remain renters for a longer time and keep their flexibility.
- **Existing Assets** - with the continued rise of construction costs, the existing assets will start to be more sought after for investors. If lease rates continue to rise, older and existing properties could see more occupiers. The vacancy rate for leasing within the SVN | Miller Commercial Real Estate's property management portfolio is at 5% and we should continue to see this through the year ahead.
- **Industrial** - with gas prices increasing and as supply catches up with demand, logistic companies are looking to get closer to the end user. Industrial was one sector that really never faltered through the pandemic and I do not see that changing.

The overall outlook for CRE in 2022 is positive. The good news for the Eastern Shore is that secondary and tertiary markets should see a lot of growth and gain in the upcoming year. I always try to look at the positives in every bad situation and with COVID, one positive thing for the Eastern Shore's CRE market is people learned they did not have to be in the big cities to work and make a living. I look to see the Industrial, Multifamily and Retail sectors to continue their paths forward. The Office market I see fairing better in the suburban areas but still have a long road to recovery for the major cities and central business districts.

At SVN | Miller Commercial Real Estate, our mission is to Create Amazing Value with our Clients, Colleagues, and Communities. We also pride ourselves on "National Reach and Local Expertise," but you will see that the data presented in our 2021 Market Report will consist of local/regional data. The market data within has been comprised of the Eastern Shore of MD counties, Cecil all the way down and over to Worcester, and includes Sussex County of DE as well. As it is easy for most clients to research national data and numbers, we wanted to focus this report on the local data which can sometimes be hard to obtain.

This market report is a quick snapshot of total sales volume, average deal size, number of transactions, and average days on market. If you had the pleasure and joined us during our virtual 2021 Annual CRE Forum on March 16, our local data presented from Wesley Cox, CCIM was derived from the local MLS. The information depicted in this Market Report was derived from SDAT. If you want or need more detailed information about commercial real estate, please feel free to reach out to any of the Advisors here at SVN | Miller, the area's leading commercial real estate experts. If you would like to view the Virtual Commercial Real Estate Forum presentation, please visit: <https://svnmiller.com/cre-forum>.

The "Why" We Created This Report

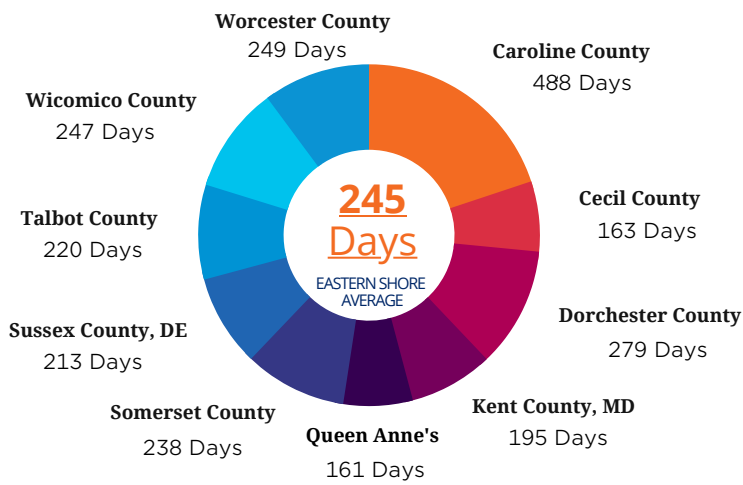
As the area's leading commercial real estate company, we believe it is our duty to share information and resources for the benefit of our clients and community.

The Advisors at SVN | Miller Commercial Real Estate have extensive knowledge of real estate trends and are always available to share their expertise. We hope the information provided is something you can share with your colleagues and use as a tool to further enhance your business.

**All data was sourced from BrightMLS and public records as of 2/23/2021. Data search based on commercial transactions over \$100,000 excluding residential, and vacant categories.

EASTERN SHORE OVERVIEW

AVERAGE DAYS ON MARKET



2021 Data

Total Sales Volume

\$1,177,071,658 2021

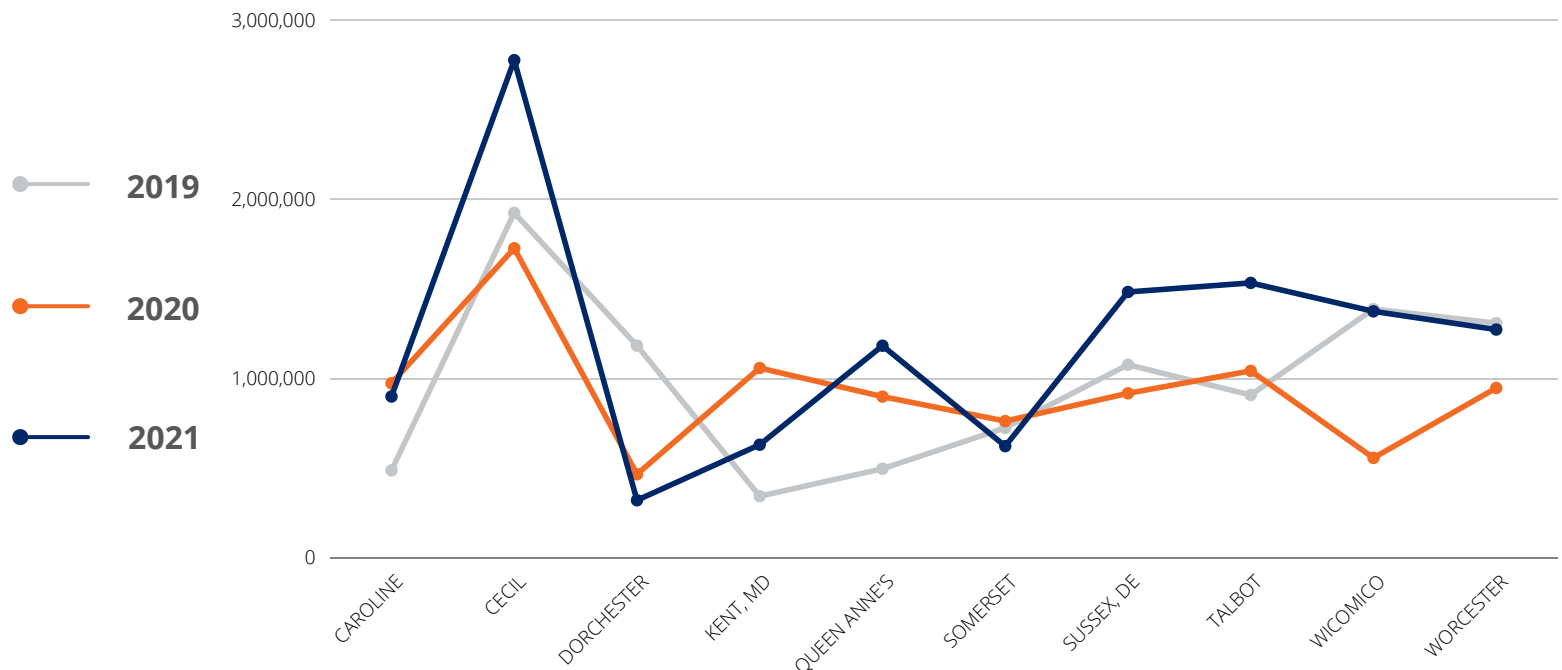
\$566,751,044 2020

\$748,815,409 2019

Total Transactions

810

AVERAGE DEAL SIZE



CAROLINE COUNTY

MARYLAND

2021 Data



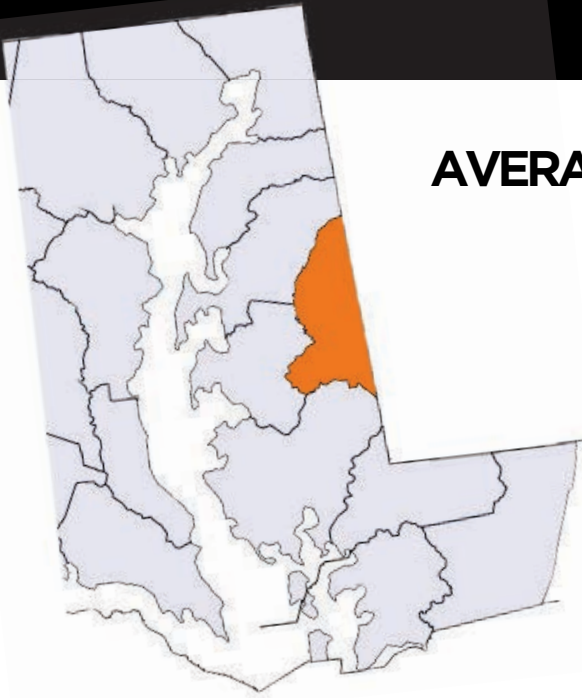
488

Average Days on Market

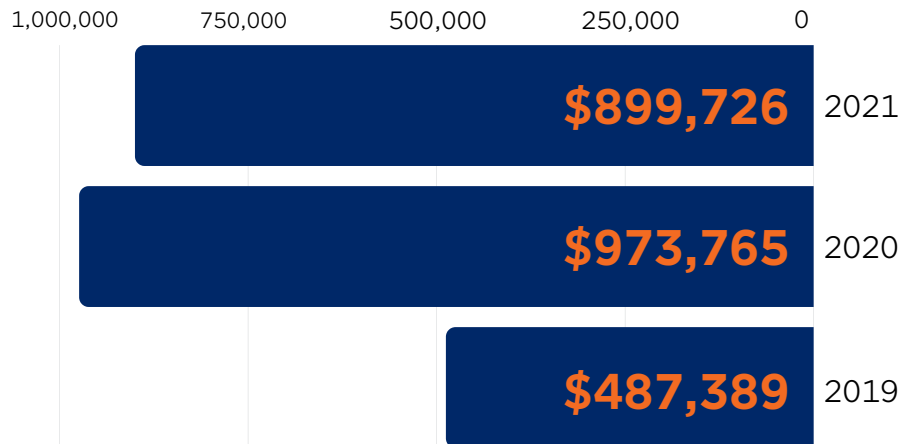


45

Transactions

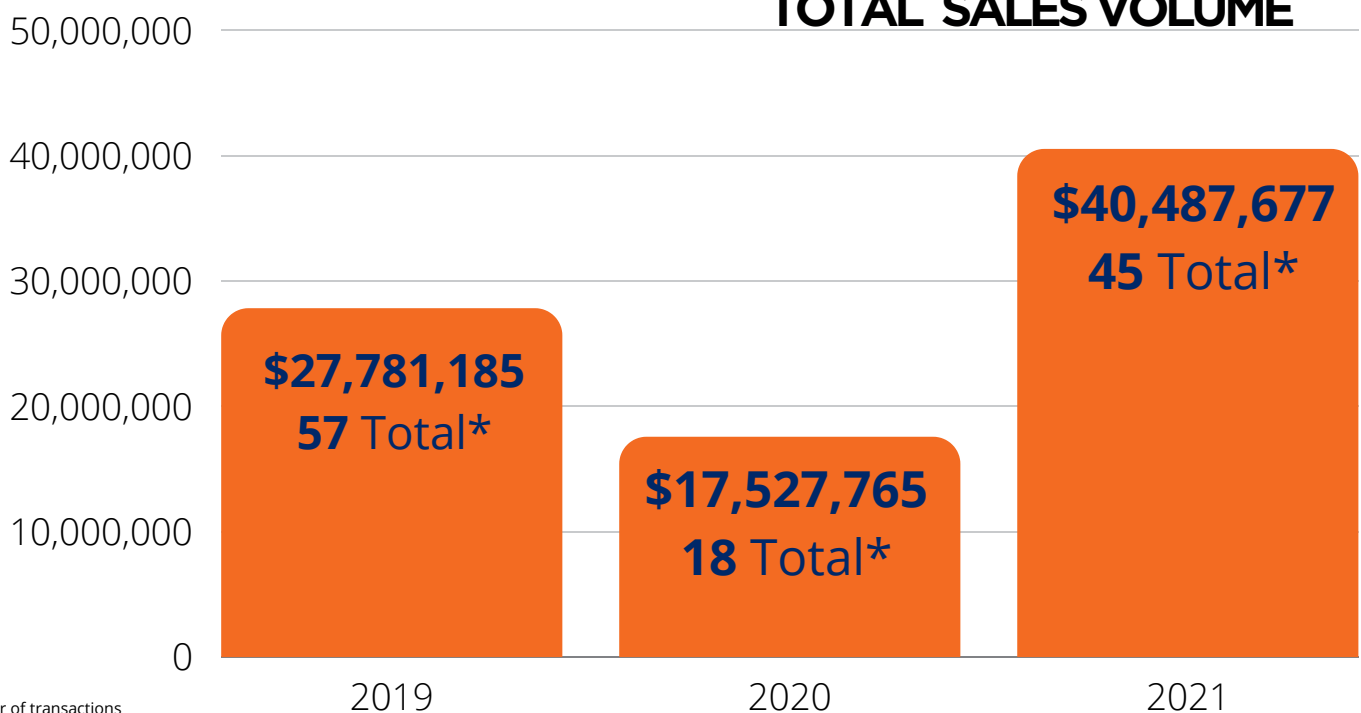


AVERAGE DEAL SIZE



HISTORY

TOTAL SALES VOLUME



*Total number of transactions

CECIL COUNTY

MARYLAND

2021 Data



163

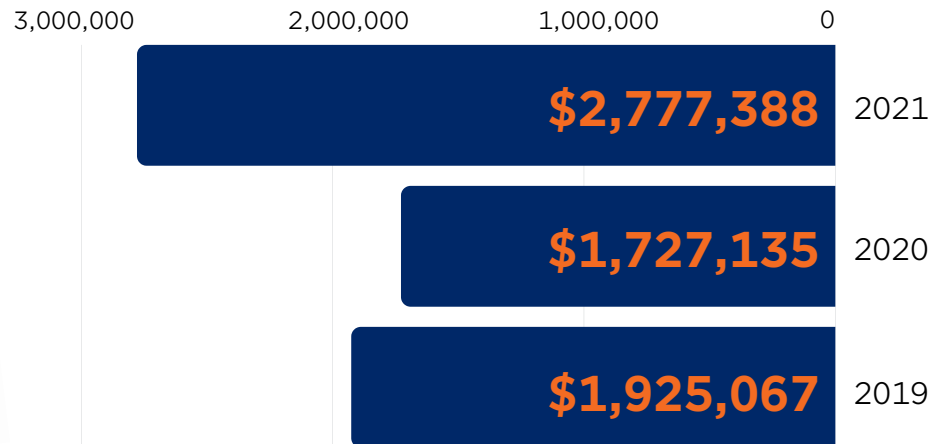
Average Days on Market



118

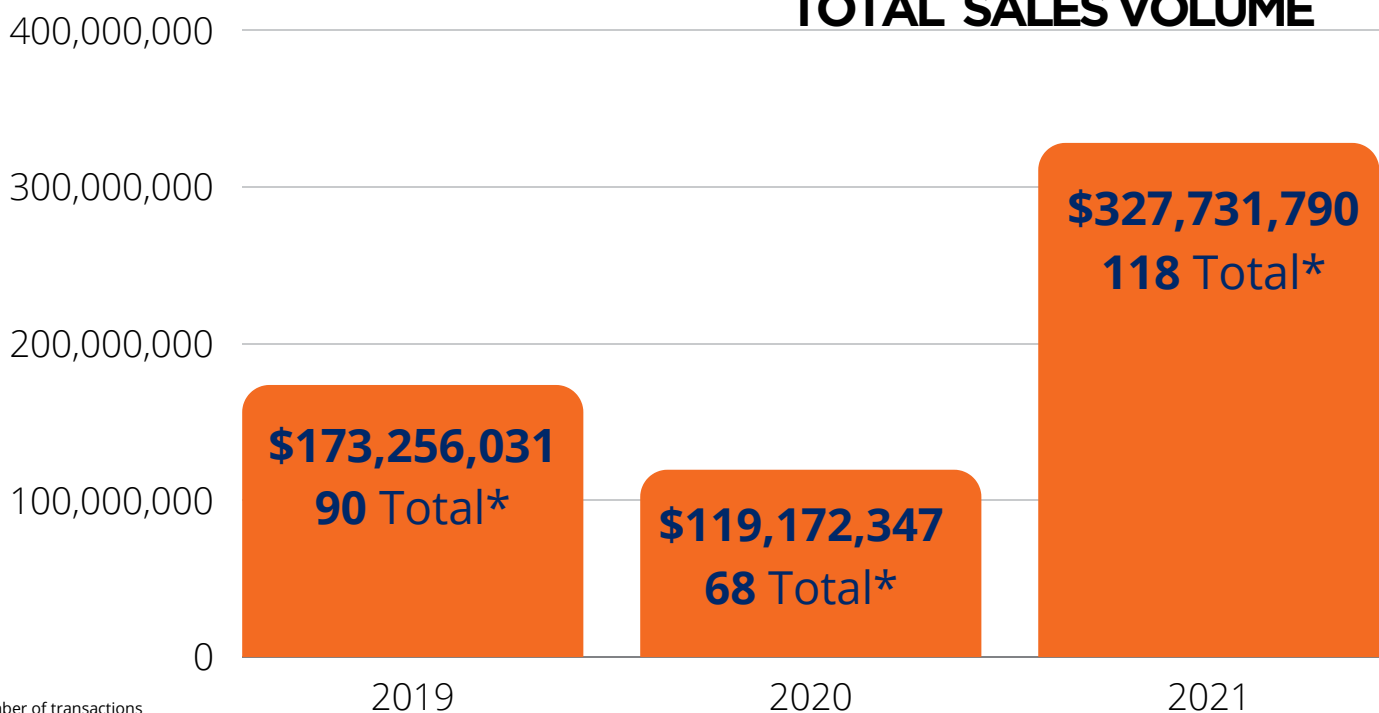
Transactions

AVERAGE DEAL SIZE



HISTORY

TOTAL SALES VOLUME



*Total number of transactions

DORCHESTER COUNTY

MARYLAND

2021 Data



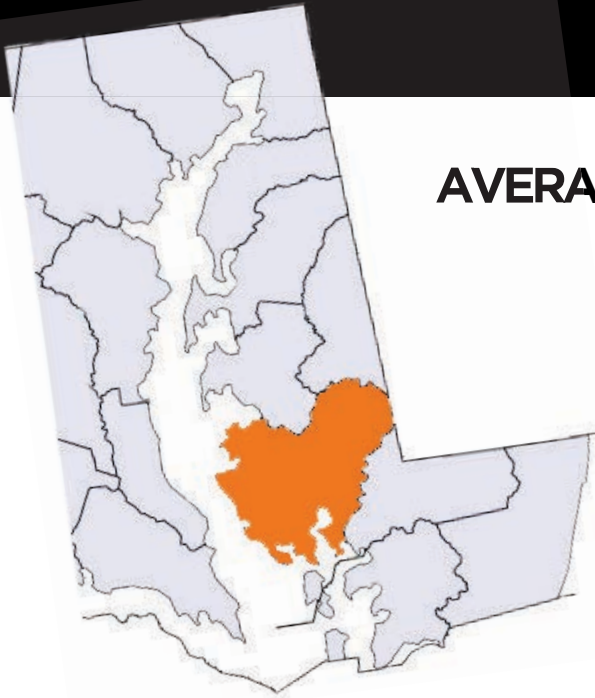
279

Average Days on Market

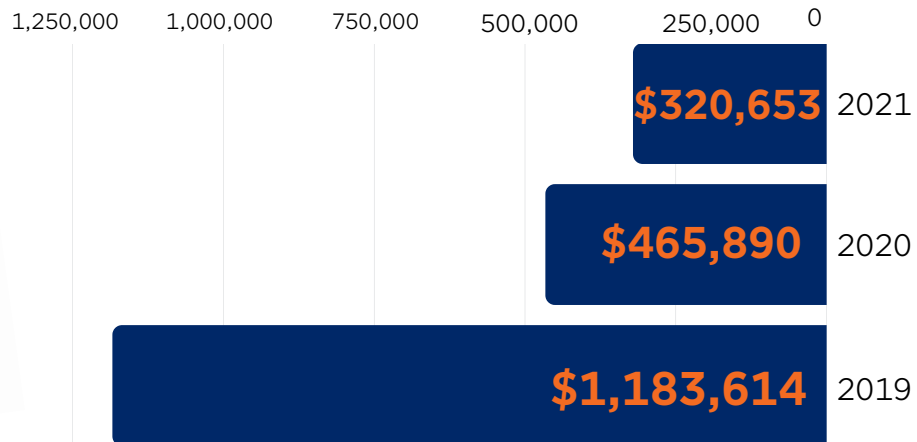


47

Transactions

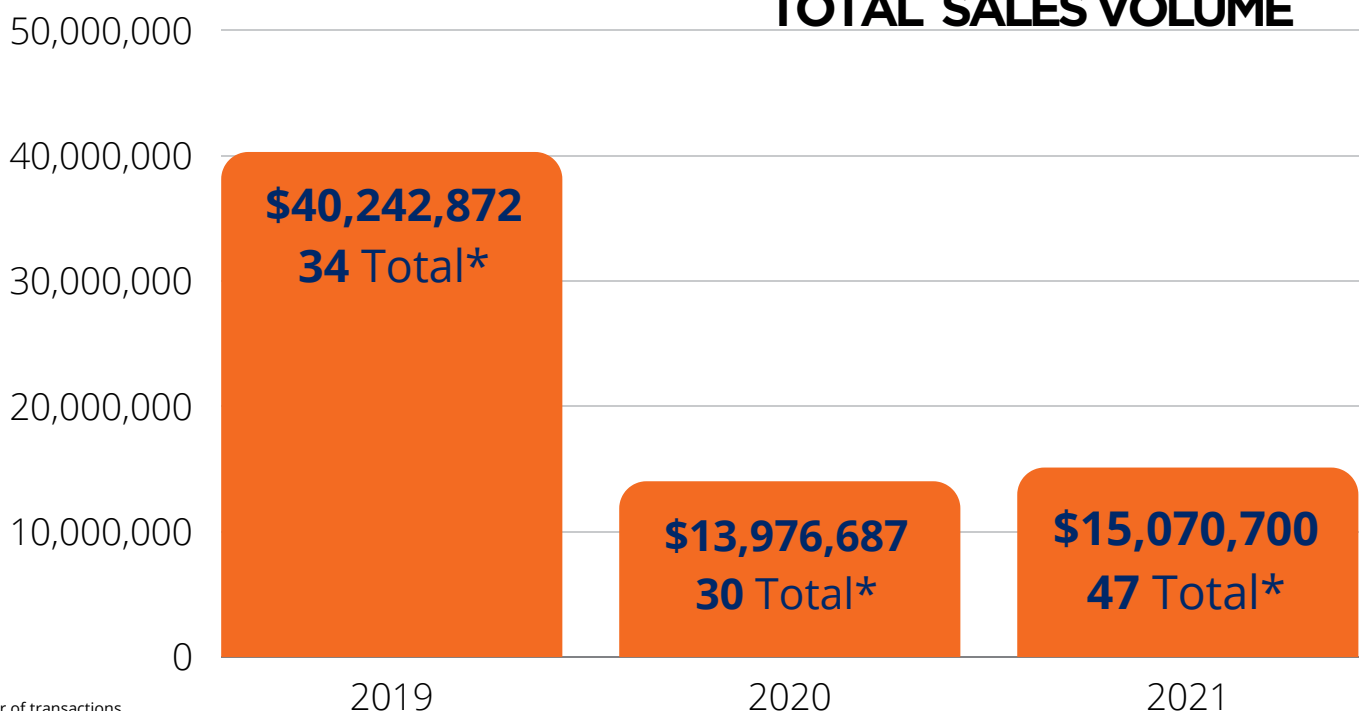


AVERAGE DEAL SIZE



HISTORY

TOTAL SALES VOLUME



*Total number of transactions

KENT COUNTY

MARYLAND

2021 Data



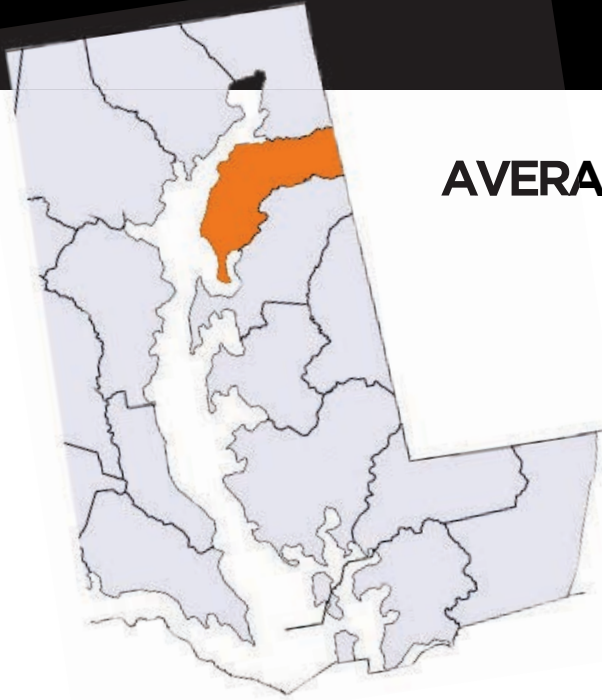
195

Average Days on Market

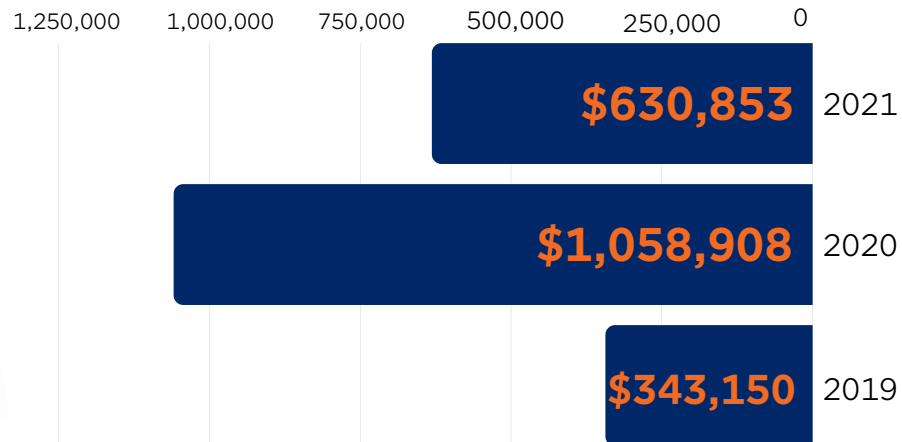


33

Transactions

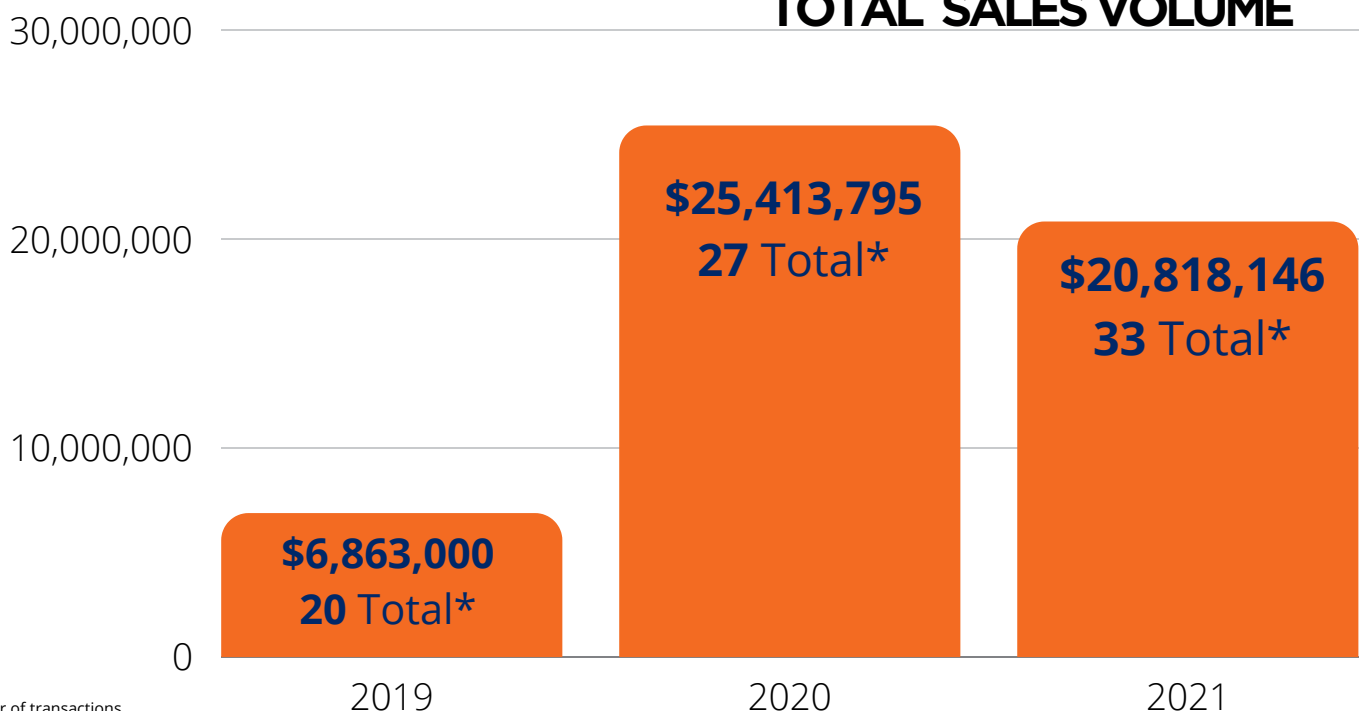


AVERAGE DEAL SIZE



HISTORY

TOTAL SALES VOLUME



*Total number of transactions

QUEEN ANNE'S COUNTY

MARYLAND

2021 Data



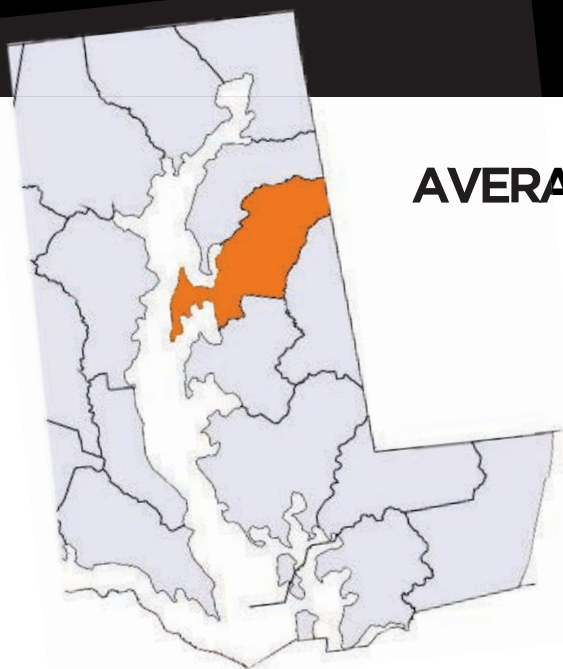
161

Average Days on Market

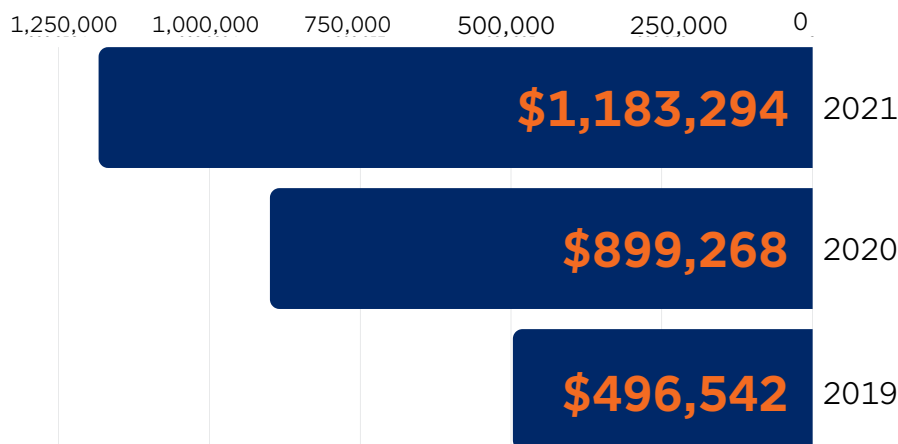


47

Transactions

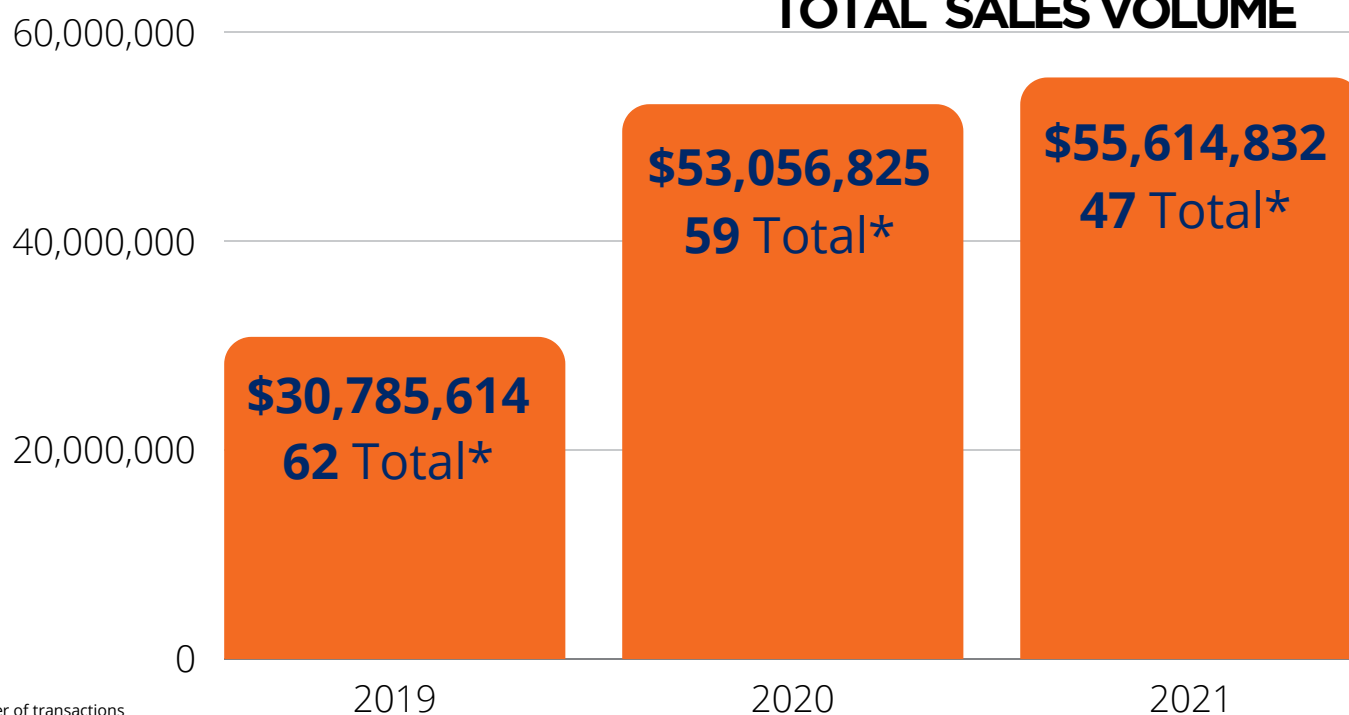


AVERAGE DEAL SIZE



HISTORY

TOTAL SALES VOLUME



*Total number of transactions

SOMERSET COUNTY

MARYLAND

2021 Data



238

Average Days on Market

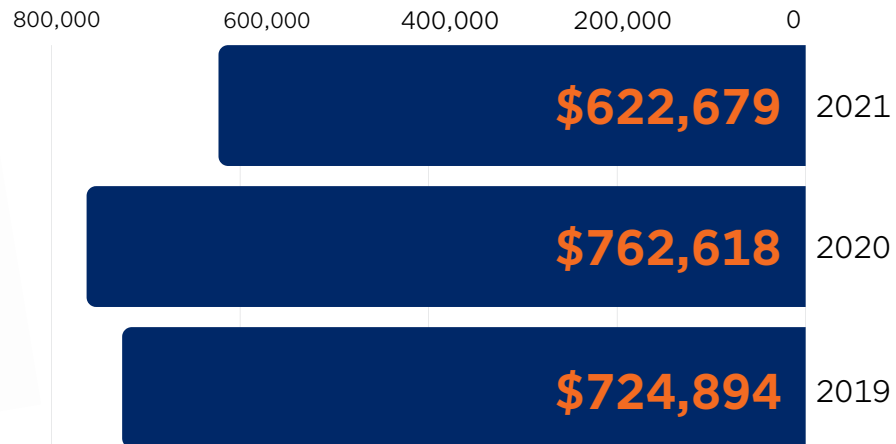


23

Transactions

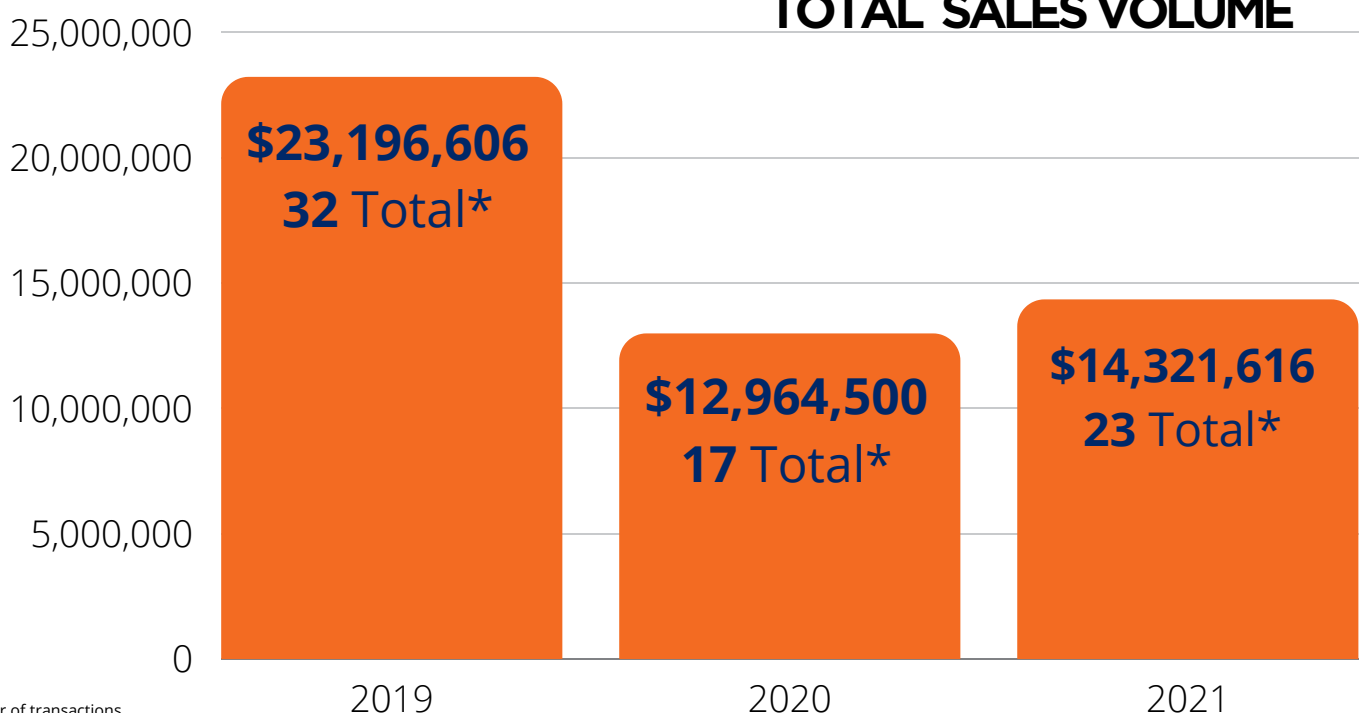


AVERAGE DEAL SIZE



HISTORY

TOTAL SALES VOLUME



*Total number of transactions

SUSSEX COUNTY

DELAWARE

2021 Data



213

Average Days on Market

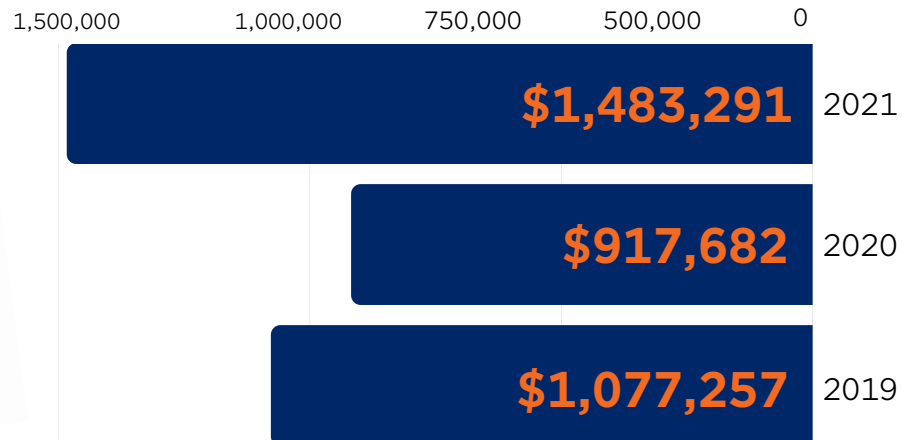


169

Transactions

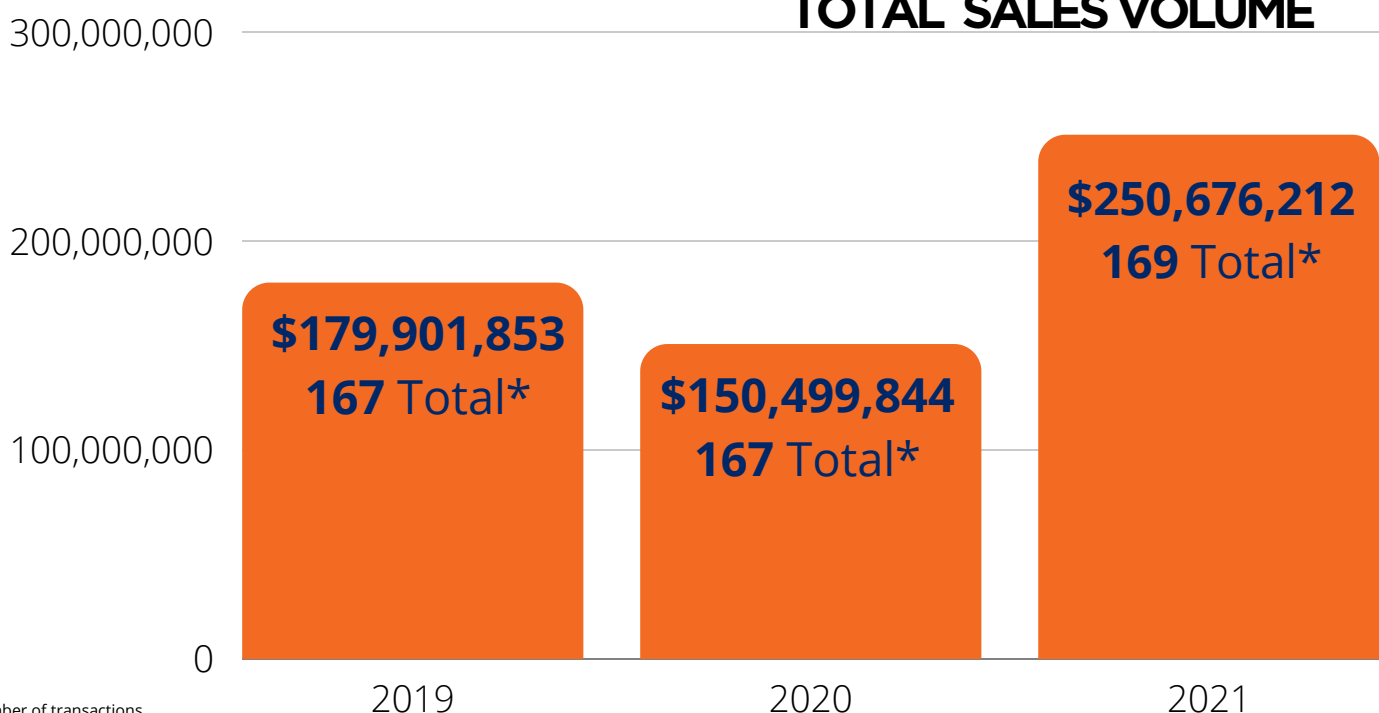


AVERAGE DEAL SIZE



HISTORY

TOTAL SALES VOLUME



*Total number of transactions

TALBOT COUNTY

MARYLAND

2021 Data



220

Average Days on Market



85

Transactions



AVERAGE DEAL SIZE

2,000,000 1,500,000 1,000,000 500,000 0

\$1,533,982

2021

\$1,042,943

2020

\$908,197

2019

HISTORY

TOTAL SALES VOLUME

150,000,000

100,000,000

50,000,000

0

\$50,859,009

56 Total*

2019

\$53,190,094

51 Total*

2020

\$130,388,485

85 Total*

2021

*Total number of transactions

WICOMICO COUNTY

MARYLAND

2021 Data



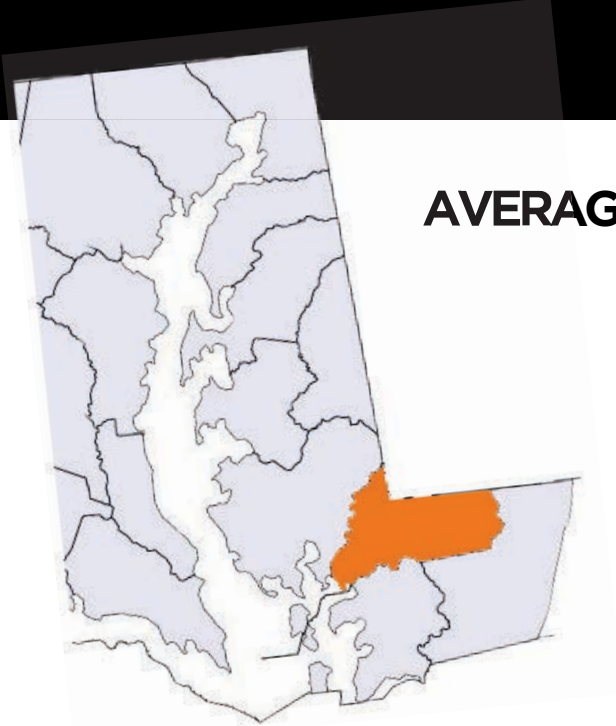
247

Average Days on Market

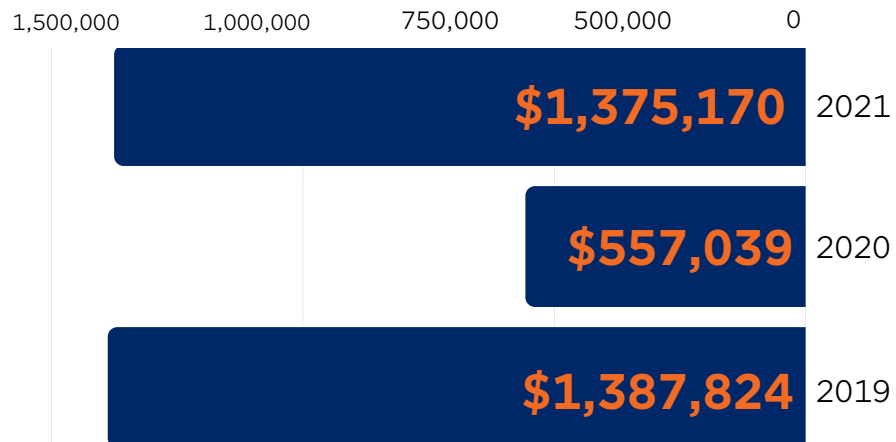


123

Transactions

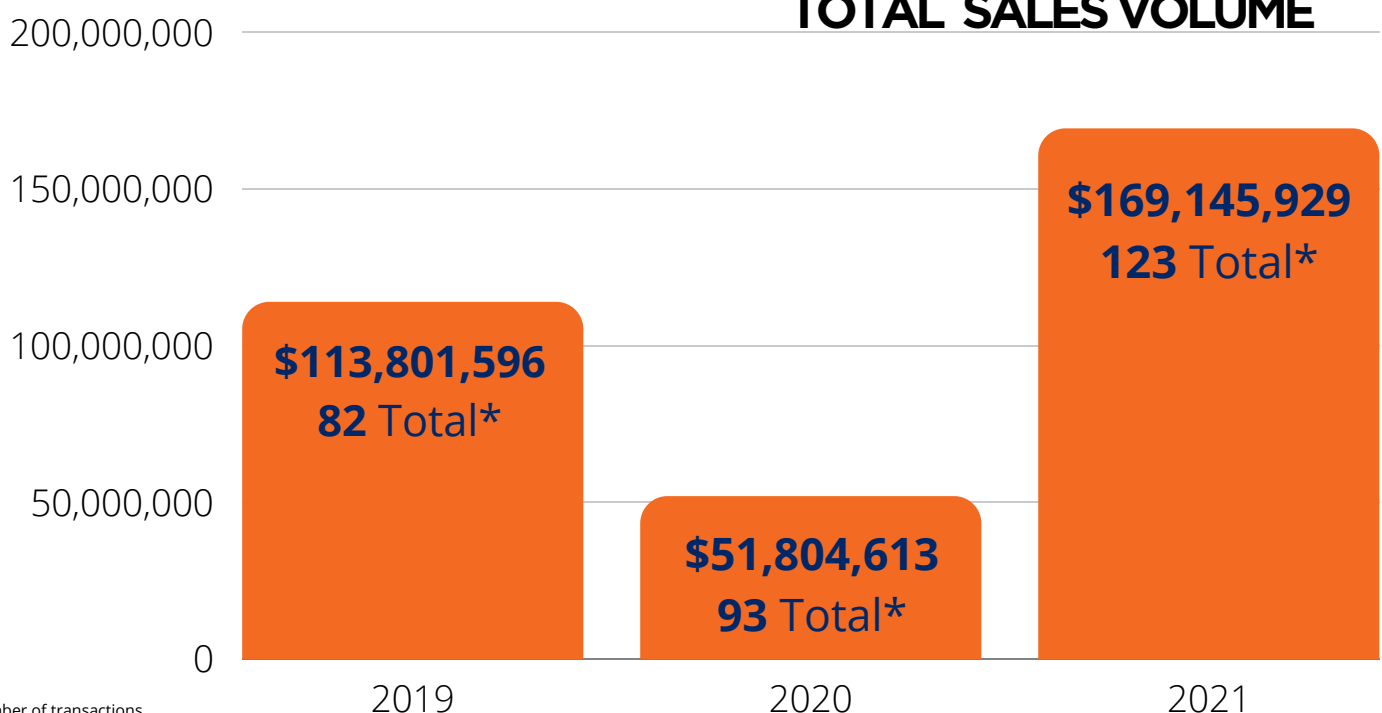


AVERAGE DEAL SIZE



HISTORY

TOTAL SALES VOLUME



*Total number of transactions

WORCESTER COUNTY

MARYLAND

2021 Data



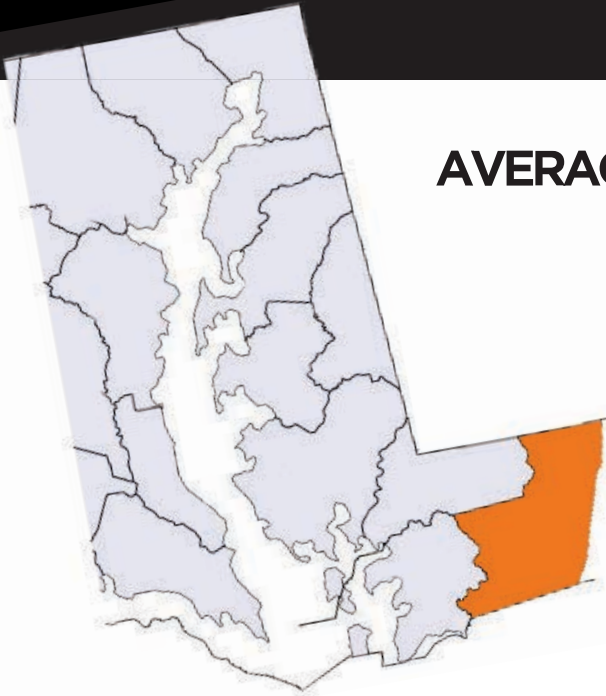
249

Average Days on Market



120

Transactions



AVERAGE DEAL SIZE

1,500,000 1,000,000 750,000 500,000 0

\$1,273,469

2021

\$947,186

2020

\$1,309,329

2019

HISTORY

TOTAL SALES VOLUME

200,000,000

150,000,000

100,000,000

50,000,000

0

\$102,127,643

78 Total*

2019

\$69,144,574

73 Total*

2020

\$152,816,271

120 Total*

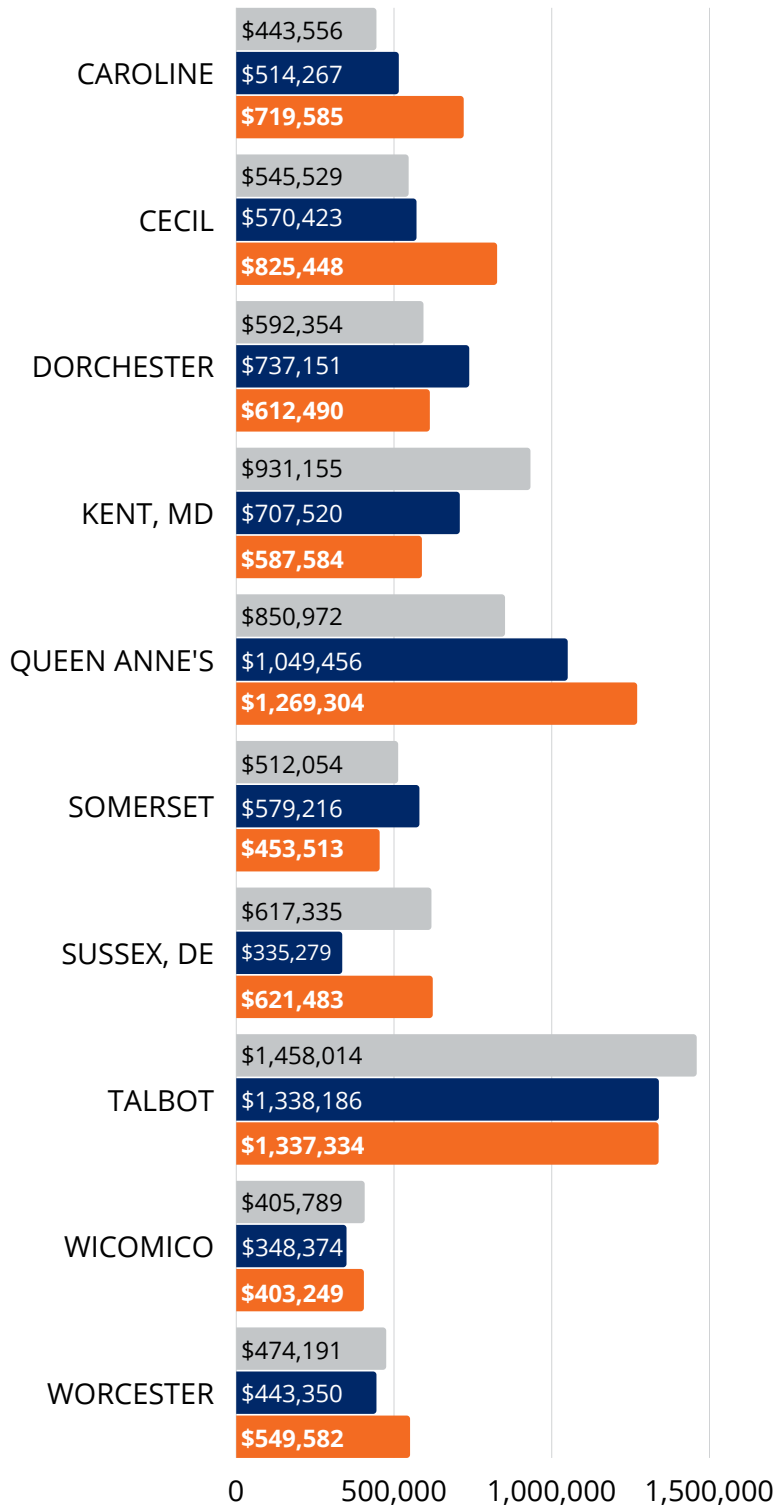
2021

*Total number of transactions

EASTERN SHORE FARM DATA MARYLAND & DELAWARE

AVERAGE DEAL SIZE

■ 2019 ■ 2020 ■ 2021



2021 Data



422

Transactions in 2019



519

Transactions in 2020



565

Transactions in 2021

TOTAL SALES VOLUME

	2019	2020	2021
Caroline	\$18,185,779	\$25,713,362	\$38,857,594
Cecil	\$23,457,730	\$29,091,554	\$58,606,800
Dorchester	\$14,216,507	\$36,120,375	\$34,299,412
Kent	\$28,865,800	\$17,688,000	\$23,503,347
Queen Anne's	\$36,591,788	\$61,917,922	\$19,039,562
Somerset	\$9,729,020	\$22,010,198	\$18,594,025
Sussex	\$56,177,463	\$35,874,829	\$84,521,640
Talbot	\$40,824,400	\$61,556,560	\$41,457,353
Wicomico	\$26,376,270	\$19,160,566	\$29,840,428
Worcester	\$17,545,082	\$17,290,656	\$25,830,350

Notable Deals



NORTH CAROLINA SALE LEASEBACK

\$3,485,000 | Industrial Property

901 W Market Center Drive | High Point, NC 27260

- Partnered with a local broker he found through SIOR (Society of Industrial & Office Realtors) network.
- Secured long-term lease from an established company.
- Was able to achieve an above market return for his client based on a combination of the real estate and income in place.
- McClellan's services expand the MD/DE borders.
- **Brokered by The McClellan Team.**



CROWN SPORTS CENTER

\$5,500,000 | Investment Property

28410 Crown Road | Fruitland, MD 21826

- Family sports center with additional income.
- Helped the community retain this asset and allowed the owner to retire.
- Second sale of this property for the Hanna Team.
- **Brokered by The Hanna Team.**



NORTHWOOD PROFESSIONAL CENTER

\$4,550,000 | Income Producing Property

Kiley Drive | Salisbury, MD 21801

- 100% Leased with new 5-year deals on 16 units.
- International cash buyer found through SVN Website.
- **Brokered by The Hanna Team.**



POMFRETT PLANTATION

\$1,500,000 | Land Sale

27770 Crisfield Marion Road | Marion Station, MD 21838

- Had been listed for 15 years with over a dozen different brokers.
- Sold in one (1) year with several offers.
- **Brokered by Andy Ball & Allison Conick.**



FRUITLAND PLAZA

\$7,600,000 | Income Producing Property

206 N. Fruitland Blvd | Fruitland, MD 21801

- Over a 7% Cap Rate.
- Having the expertise and history available through Property Management with SVN Miller was a key to making this happen and in the necessary time frame to close.
- **Brokered by Tonney Insley & Brent Miller.**

Notable Deals



GOOSE CREEK RESTAURANT & MARINA

\$475,000 | Special Purpose/Marina
25763 Rumbly Road | Westover, MD 21871

- Had been listed for approx. 18 years.
- Obstacles included abandoned boats, sunken boats, heavily deferred maintenance on piers, docks, and restaurant.
- **Brokered by Andy Ball & Allison Conick**



ROUTE 1 DEVELOPMENT OPPORTUNITY

\$2,450,000 | Land Sale
18422 Coastal Highway | Lewes, DE 19958

- Competitive offers leading to call for best and final.
- Under contract within a week of listing
- Sold for full price.
- Met sellers timeline for settlement and sold the property at a price higher than an initial unsolicited offer.
- **Brokered by the McClellan Team.**



GEORGIA SELF STORAGE PORTFOLIO

\$11,400,000 | Self-Storage
Multiple Sites | Athens, Georgia

- Total of 1,106 Units between 3 sites.
- Initially, 2 sites were listed for sale.
- Brandon suggested his client, the buyer, assume a CMBS loan that was tying up a 3rd property.
- The Buyer was able to secure the loan, solve a recurring issue for the seller, while allowing his client to gain a significantly larger portfolio at a deal.
- **Brokered by Brandon Heaver**



GOVERNMENT LEASED ASSET

\$6,100,000 | Investment Property
Multi-Property Portfolio | Milford, DE 19963

- Marketing began just before the COVID-19 pandemic hit the United States.
- Shortly after taking to market I produced an acceptable deal but the buyer immediately withdrew once the shut-down occurred.
- Once covid became the "new normal", Wesley generated 5 written offers with a best a final to select the ultimate buyer.
- A myriad of issues arose during due diligence: Buyer's lender backed-out of the deal, the roof needed a \$200,000 full replacement, and potential environmental concerns.
- Wesley helped the buyer secure financing with a local bank, several studies satisfied the environmental concerns, and roof solution was negotiated
- Settled for \$6,100,000 and the client was extremely happy.
- **Brokered by The Hanna Team.**



BEYOND ALL LIMITS

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Giving back to your community is important to you — and to us. That's why we're committed to helping you make a difference.

Merrill Lynch Wealth Management

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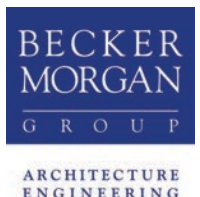
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- Local decisions and servicing.
- Hometown atmosphere.



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Forum Notes

Collective **Strength**, Accelerated **Growth**.



\$227 Million
Transaction Volume
in 2021

BY THE NUMBERS

296 Transactions
in 2021

158 Leases, 138 Sales

3.5 Million SF in
Properties Managed
& 1,501 units.

47
Advisors
& Staff

10
Core
Covenants

14
Industry
Specialist
Designations

1 Mission

Creating Amazing Value with our
Clients, Colleagues, and Community.

Collective Strength, Accelerated Growth.